

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NORTH DAKOTA  
NORTHWESTERN DIVISION**

Phoenix Energy, Inc.,	)	
	)	
Plaintiff,	)	<b>ORDER ADOPTING REPORT</b>
	)	<b>AND RECOMMENDATION</b>
vs.	)	
	)	Case No. 4:13-cv-90
Breitling Royalties Corporation,	)	
	)	
Defendant.	)	

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The Plaintiff, Phoenix Energy, Inc. (“Phoenix”), initiated this declaratory judgment action against the Defendant, Breitling Royalties Corporation (“Breitling”), on July 30, 2013. See Docket No. 1. On March 3, 2014, Breitling filed a motion to dismiss for failure to state a claim. See Docket No. 16. The motion was referred to Magistrate Judge Karen K. Klein for a Report and Recommendation. See Docket No. 26. On September 17, 2014, Judge Klein issued her Report and Recommendation in which she recommended this matter be stayed in favor of a parallel state court action pending in Texas. The parties were given until fourteen days to file any objections to the Report and Recommendation. No objections were filed.

The Court has carefully reviewed the Report and Recommendation, relevant case law, and the entire record, and finds the Report and Recommendation to be persuasive. Accordingly, the Court **ADOPTS** the Report and Recommendation (Docket No. 30) in its entirety. Breitling’s motion to dismiss (Docket No. 16) is **DENIED**. This case shall be stayed pending the outcome of the action filed by Breitling in Dallas County, Texas. The parties shall provide the Court with a status report in six months or upon the final disposition of the Texas action, whichever comes first.

**IT IS SO ORDERED.**

Dated this 7th day of October, 2014.

/s/ Daniel L. Hovland  
Daniel L. Hovland, District Judge  
United States District Court